

HOUSE BILL 499

R7

2lr0971

By: **Delegate Niemann**

Introduced and read first time: February 2, 2012

Assigned to: Environmental Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Vehicle Laws – Disposition of Vehicle to Automotive Dismantler and**
3 **Recycler or Scrap Processor**

4 FOR the purpose of repealing a provision of law that authorizes certain persons to
5 transfer certain inoperable vehicles to an automotive dismantler and recycler or
6 scrap processor without providing a certificate of title or fulfilling certain notice
7 requirements; repealing a provision of law that authorizes an automotive
8 dismantler and recycler or scrap processor to require certain vehicle transferors
9 to execute an indemnity agreement; repealing a certain exception for certain
10 vehicles to the requirement that an automotive dismantler and recycler or scrap
11 processor follow certain procedures after taking possession of a vehicle without
12 receiving certain documentary evidence of ownership; establishing that an
13 automotive dismantler and recycler or scrap processor that does not receive
14 certain documentation from a certain police department when taking possession
15 of a vehicle is required to comply with certain procedures; altering the notice
16 requirements that an automotive dismantler and recycler or scrap processor is
17 required to follow if it takes possession of a vehicle but does not receive certain
18 documentary evidence of ownership; requiring an automotive dismantler and
19 recycler or scrap processor that certifies to the Motor Vehicle Administration
20 that it is taking title to a vehicle to include certain additional documentation in
21 the certification; making certain stylistic changes; and generally relating to the
22 disposition of a vehicle to an automotive dismantler and recycler or scrap
23 processor.

24 BY repealing and reenacting, with amendments,
25 Article – Transportation
26 Section 15–509
27 Annotated Code of Maryland
28 (2009 Replacement Volume and 2011 Supplement)

29 BY repealing and reenacting, without amendments,

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 Article – Transportation
2 Section 25–204, 25–205, and 25–209
3 Annotated Code of Maryland
4 (2009 Replacement Volume and 2011 Supplement)

5 BY repealing
6 Article – Transportation
7 Section 25–210
8 Annotated Code of Maryland
9 (2009 Replacement Volume and 2011 Supplement)

10 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
11 MARYLAND, That the Laws of Maryland read as follows:

12 **Article – Transportation**

13 15–509.

14 (a) [This section does not apply to any abandoned vehicle that is 8 years old
15 or older and is totally inoperable.

16 (b)] If an automotive dismantler and recycler or scrap processor takes
17 possession of a vehicle and does not receive a certificate of title, **A CERTIFICATE OF**
18 **AUTHORITY UNDER § 25–209 OF THIS ARTICLE**, or other documentary evidence of
19 ownership acceptable to the Administration, the automotive dismantler and recycler
20 or scrap processor shall comply with this section.

21 [(c) After the vehicle has been in the possession of the automotive dismantler
22 and recycler or scrap processor for more than 30 days, the automotive dismantler and
23 recycler or scrap processor shall give at least 10 days' notice of intent to dispose of the
24 vehicle. The notice shall be sent by certified mail, return receipt requested, bearing a
25 postmark from the United States Postal Service, to:

26 (1) The owner of the vehicle and any secured party, as shown on the
27 records of the Administration; or

28 (2) Any other person who is entitled to possession of the vehicle and
29 whose address is known or reasonably can be obtained.]

30 **(B) AN AUTOMOTIVE DISMANTLER AND RECYCLER OR SCRAP**
31 **PROCESSOR THAT TAKES POSSESSION OF A VEHICLE AND DOES NOT RECEIVE**
32 **DOCUMENTARY EVIDENCE OF OWNERSHIP ACCEPTABLE TO THE**
33 **ADMINISTRATION SHALL FOLLOW THE NOTIFICATION PROCEDURES UNDER §§**
34 **25–204 AND 25–205 OF THIS ARTICLE.**

1 [(d)] (C) [(1)] The automotive dismantler and recycler or scrap processor
2 takes unencumbered title to the vehicle, without having to obtain a certificate of title
3 for it in his own name, if:

4 [(i)] (1) [He] **THE AUTOMOTIVE DISMANTLER AND**
5 **RECYCLER OR SCRAP PROCESSOR** has complied with this section; and

6 [(ii)] (2) [Except as provided in paragraph (2) of this
7 subsection, the] **THE** vehicle has not been recovered or reclaimed, before the end of the
8 [10-day] **RECLAMATION** period specified in the notice, by the owner, secured party, or
9 other person entitled to its possession.

10 [(2) If the address of the owner, secured party, or other person entitled
11 to possession of the vehicle cannot be obtained from the records of the Administration
12 or by the exercise of reasonable diligence, the automotive dismantler and recycler or
13 scrap processor takes unencumbered title to the vehicle, without having to obtain a
14 certificate of title in his own name, after the vehicle has been in his possession for 30
15 days.]

16 [(e)] (D) (1) If an automotive dismantler and recycler or scrap processor
17 takes title to a vehicle under this section, the automotive dismantler and recycler or
18 scrap processor shall certify this fact to the Administration.

19 (2) The certification shall [be]:

20 (I) **BE** made in the form that the Administration requires;

21 (II) **INCLUDE DOCUMENTARY PROOF THAT THE**
22 **NOTIFICATION PROCEDURES UNDER §§ 25-204 AND 25-205 OF THIS ARTICLE**
23 **HAVE BEEN FULFILLED;** and

24 (III) **BE** sent to the Administration within 5 days after the
25 automotive dismantler and recycler or scrap processor takes title.

26 25-204.

27 (a) As soon as reasonably possible and within 7 days at most after it takes an
28 abandoned vehicle into custody, a police department shall send a notice, by certified
29 mail, return receipt requested, bearing a postmark from the United States Postal
30 Service, to:

31 (1) The last known registered owner of the vehicle; and

32 (2) Each secured party, as shown on the records of the Administration.

33 (b) The notice shall:

1 (1) State that the abandoned vehicle has been taken into custody;

2 (2) Describe the year, make, model, and vehicle identification number
3 of the vehicle;

4 (3) Give the location of the facility where the vehicle is held;

5 (4) (i) Inform the owner and secured party of the owner's and
6 secured party's right to reclaim the vehicle within 3 weeks after the date of the notice,
7 on payment of all towing, preservation, and storage charges resulting from taking or
8 placing the vehicle in custody; or

9 (ii) In Baltimore City and Montgomery County, be sent by
10 certified mail, return receipt requested, and inform the owner and secured party of the
11 owner's and secured party's right to reclaim the vehicle within 11 working days after
12 the receipt of the notice, on payment of all towing, preservation, and storage charges
13 resulting from taking or placing the vehicle in custody; and

14 (5) State that the failure of the owner or secured party to exercise this
15 right in the time provided is:

16 (i) A waiver by the owner or secured party of all of the owner's
17 or secured party's right, title, and interest in the vehicle;

18 (ii) A consent to the sale of the vehicle at public auction; and

19 (iii) A consent by the owner other than a lessor to the retention
20 of the vehicle for public purposes as provided in § 25–207 of this subtitle.

21 (c) In Baltimore City, Prince George's County, and Montgomery County, a
22 police department or its agent may seek to recover costs of impoundment, storage, and
23 sale of a vehicle as provided by §§ 25–206.1 and 25–206.2 of this subtitle. If a police
24 department or its agent seeks to apply the provisions of §§ 25–206.1 and 25–206.2 of
25 this subtitle, the notice required by this section shall also state that the failure of the
26 owner or secured party to exercise the right to reclaim the vehicle in the time provided
27 may cause:

28 (1) Continuing liability of the owner for costs of:

29 (i) Impoundment;

30 (ii) Storage within the chargeable limit for storage as provided
31 in § 25–206.1(b) of this subtitle; and

32 (iii) Sale of the vehicle; and

1 (2) Denial of any application by the owner to renew the registration of
2 any vehicle as required by § 25–206.2 of this subtitle.

3 25–205.

4 (a) This section applies if:

5 (1) The identity of the last registered owner of an abandoned vehicle
6 cannot be determined;

7 (2) The registration of the vehicle gives no address for the owner;

8 (3) It is impossible to determine with reasonable certainty the identity
9 and address of each secured party; or

10 (4) The certified mail notice required by § 25–204 of this subtitle is
11 returned as undeliverable.

12 (b) Under one of the conditions described in subsection (a) of this section, a
13 police department that takes an abandoned vehicle into custody shall give the
14 required notice by posting a notice complying with the provisions of subsection (c) of
15 this section in the circuit court of the county where the abandoned vehicle was found.

16 (c) The notice:

17 (1) May contain multiple listings of abandoned vehicles;

18 (2) Shall contain the information required by § 25–204 of this subtitle;
19 and

20 (3) Shall be posted:

21 (i) Within 15 days of the taking into custody of the vehicle; or

22 (ii) If the notice by posting under this section is made because of
23 the return as undeliverable of a prior notice by certified mail, return receipt requested,
24 bearing a postmark from the United States Postal Service, within 7 days of the return
25 of that prior notice.

26 25–209.

27 (a) Any person who possesses or on whose property is found an abandoned
28 vehicle and any person who owns a vehicle, for which the certificate of title is
29 defective, lost, or destroyed, may apply to the police department of the jurisdiction in
30 which the vehicle is located for authority to transfer the vehicle to an automotive
31 dismantler and recycler or scrap processor.

1 (b) The application shall include:

2 (1) The name and address of the applicant;

3 (2) The year, make, model, and vehicle identification number of the
4 vehicle, if ascertainable, and any other identifying features of the vehicle;

5 (3) A concise statement of the facts about the abandonment of the
6 vehicle or the loss, destruction, or defect of the certificate of title of the vehicle; and

7 (4) An affidavit stating that the facts alleged in the application are
8 true and that no material fact has been withheld.

9 (c) If a police department finds that the application is executed in proper
10 form and shows either that the vehicle has been abandoned on the property of the
11 applicant or, if the vehicle is not abandoned, that the applicant appears to be the
12 rightful owner, the police department shall follow the notification procedures of §§
13 25–204 and 25–205 of this subtitle.

14 (c–1) If the applicant submits with the application documentary proof that the
15 notification procedures of §§ 25–204 and 25–205 of this subtitle already have been
16 complied with, the police department may accept the document as proof of compliance
17 and the department is not required to provide this notification.

18 (d) (1) If an abandoned vehicle is not reclaimed in the time required by
19 this subtitle, the police department shall give the applicant a certificate of authority to
20 transfer the vehicle to:

21 (i) Any automotive dismantler and recycler for:

22 1. Dismantling, destroying, or scrapping; or

23 2. Salvaging as authorized under § 13–506 of this
24 article; or

25 (ii) Any scrap processor for dismantling, destroying, or
26 scrapping.

27 (2) The automotive dismantler and recycler or scrap processor shall
28 accept the certificate of authority instead of the certificate of title of the vehicle.

29 (3) The automotive dismantler and recycler may apply for a salvage
30 certificate as provided in § 13–506 of this article.

31 [25–210.

32 (a) The following persons may transfer a vehicle under this section:

1 (1) Any person who possesses or on whose property any abandoned
2 vehicle is found;

3 (2) Any person who owns a vehicle for which the certificate of title is
4 defective, lost, or destroyed; or

5 (3) Any agent designated and authorized by a government agency to
6 remove an abandoned vehicle from public or private property.

7 (b) Notwithstanding any other provision of this subtitle, if the vehicle is
8 more than 8 years old and has no engine or otherwise is totally inoperable, any person
9 described in subsection (a) of this section may transfer the vehicle to an automotive
10 dismantler and recycler or scrap processor without a certificate of title and without
11 following the notification procedures of §§ 25–204 and 25–205 of this subtitle.

12 (c) An automotive dismantler and recycler or scrap processor may require a
13 person who transfers a vehicle under subsection (b) of this section, to execute an
14 indemnity agreement on a form prescribed by the Administration.

15 (d) In those cases described in subsection (b) of this section, an automotive
16 dismantler and recycler or a scrap processor whose plant is physically located and
17 operating in this State may file with the Administration the indemnity agreement
18 described in subsection (c) of this section that identifies the vehicle and contains the
19 name, address, and signature of the person delivering it.]

20 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
21 October 1, 2012.